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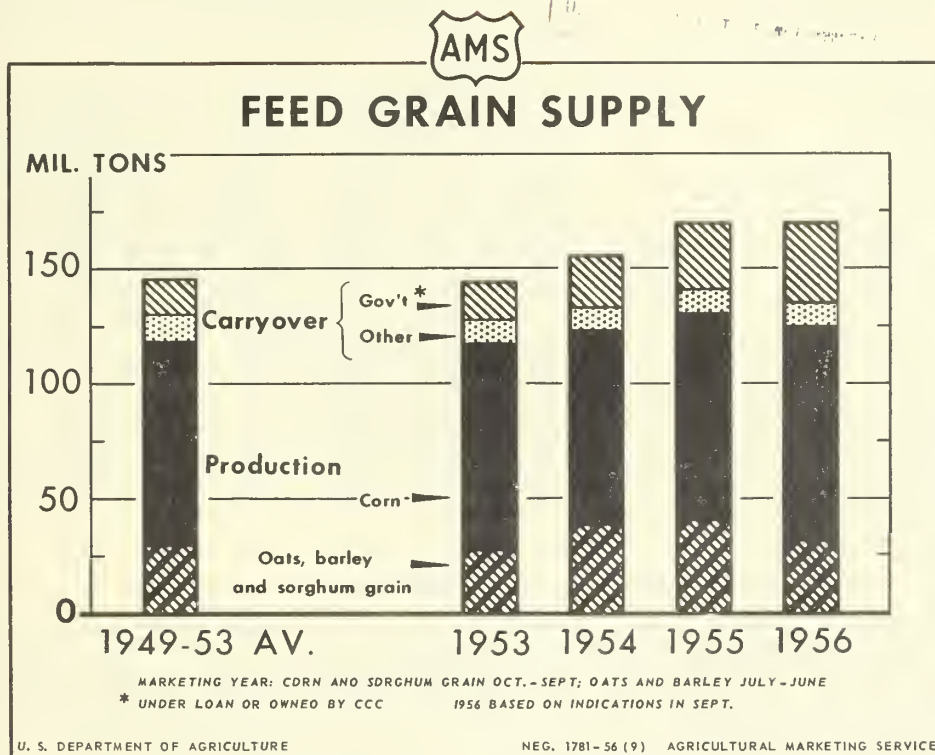
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The FEED SITUATION

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The total feed grain supply for 1956-57, based on September 1 indications, is about equal to the record supply last year and nearly a sixth above average. Production of oats, barley and sorghum grain is estimated to total about a fifth smaller than the big output of last year. The corn crop,

on the other hand, is up nearly 100 million bushels and second only to the bumper crop of 1948. The 1956 feed grain production appears sufficient to meet the 1956-57 requirements, and leave a larger carryover into 1957-58 than the record stocks this year.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

Table 1.- Statistical Summary

		PRICES							
Item	Unit	1954		1955		1956			
		July	August	July	August	June	July	August	
		Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	
Grains and Hay									
Corn, No. 3 Yellow, Chicago	Bushel	1.61	1.65	1.47	1.30	1.53	1.52	1.57	
Price received by farmers, U. S.	Bushel	1.50	1.53	1.40	1.30	1.42	1.43	1.45	
Oats, No. 1 White, Chicago	Bushel	.757	.780	.637	.607	.730	.772	.774	
No. 2 White, Minneapolis	Bushel	.715	.699	.588	.579	.645	.727	.725	
Price received by farmers, U. S.	Bushel	.668	.675	.598	.549	.632	.653	.680	
Barley, No. 3, Minneapolis	Bushel	1.32	1.29	1.18	1.17	1.12	1.19	1.21	
Price received by farmers, U. S.	Bushel	1.00	1.01	.955	.884	.931	.948	.969	
Grain sorghums, price received by farmers, U.S.:	100 pounds:	2.20	2.22	1.96	1.77	2.02	2.07	2.15	
Wheat, No. 2 Hard Winter, Kansas City	Bushel	2.32	2.35	2.16	2.15	2.10	2.09	2.19	
Hay									
Hay, No. 1 Alfalfa, baled, Kansas City	Ton	25.00	28.00	25.00	22.50	25.00	25.00	26.60	
Price received by farmers, baled, U. S.	Ton	19.90	21.30	20.00	20.00	19.80	19.60	20.00	
Byproduct Feeds (bagged)									
Standard bran, Minneapolis	Ton	39.90	39.00	37.50	37.00	37.50	38.30	38.00	
Buffalo	Ton	46.60	45.80	44.75	45.00	45.00	44.30	43.00	
Price paid by farmers, U. S.	100 pounds:	3.03	3.04	2.96	2.89	3.00	2.91	2.94	
Standard middlings, Minneapolis	Ton	41.75	40.60	44.00	38.50	41.75	43.10	42.00	
Buffalo	Ton	49.25	48.10	50.50	47.30	49.40	49.40	49.40	
Price paid by farmers, U. S.	100 pounds:	3.28	3.23	3.30	3.12	3.16	3.13	3.17	
Soybean meal, 44 percent protein, Chicago	Ton	104.20	98.35	64.60	65.05	71.90	66.15	63.30	
Price paid by farmers, U. S.	100 pounds:	5.77	5.80	4.17	4.14	4.29	4.27	4.13	
Cottonseed meal, 41 percent protein, Memphis ..	Ton	71.60	75.70	60.75	59.90	53.75	58.25	63.10	
Price paid by farmers, U. S.	100 pounds:	4.29	4.51	4.06	4.01	3.72	3.76	3.88	
Linseed meal, 36 percent protein, Minneapolis ..	Ton	63.00	63.70	60.75	59.70	57.75	58.20	58.90	
Peanut meal, 45 percent protein, S. E.									
milling points	Ton	83.30	83.30	66.25	62.00	53.50	51.30	56.00	
Gluten feed, 21 percent protein* Chicago	Ton	55.00	55.00	47.00	45.80	49.50	45.60	45.00	
Hominy feed, Chicago	Ton	53.10	58.10	52.25	47.40	54.50	54.55	56.25	
Brewers' dried grains, 24 percent protein, Milwaukee	Ton	47.60	52.70	44.10	42.60	45.40	43.20	44.50	
Distillers' dried grains, 28 percent protein, Cincinnati	Ton	64.50	65.20	58.00	60.00	55.50	57.30	58.50	
Tankage digester, 60 percent protein, Chicago ..	Ton	115.60	111.55	81.25	77.35	76.40	77.40	77.20	
Meat scraps, 50 percent protein, Chicago	Ton	116.35	110.25	80.15	76.95	75.50	77.40	78.10	
Fish meal, 60 percent protein, Buffalo	Ton	132.80	129.70	131.55	129.50	136.55	135.25	126.50	
Alfalfa meal, 17 percent dehydrated, Kansas City	Ton	51.40	48.10	35.25	36.20	35.50	35.00	40.25	
Mixed dairy feed, 16 percent protein, price paid by farmers, U. S.	100 pounds:	3.83	3.84	3.68	3.63	3.66	3.64	3.65	
Laying mash, price paid by farmers, U. S.	100 pounds:	4.97	4.96	4.60	4.53	4.57	4.58	4.57	
Scratch feed, price paid by farmers, U. S.	100 pounds:	4.32	4.32	4.21	4.14	4.14	4.16	4.19	
INDEX NUMBERS OF PRICES									
		Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	
Feed grains, price received by farmers, U. S. :1910-14=100:		211	214	196	182	199	201	205	
Eleven principal high-protein feeds, wholesale: prices at terminal markets	:1935-39=100:	270	264	204	201	208	202	202	
Five oilseed meals	:1935-39=100:	280	274	205	203	211	204	204	
Tankage, meat scraps, and fish meal	:1935-39=100:	263	247	203	193	194	194	194	
Gluten feed, brewers' dried grains, and distillers' dried grains	:1935-39=100:	225	228	200	197	205	196	195	
Feed, price paid by farmers, U. S.	:1910-14=100:	224	226	211	206	209	209	211	
LIVESTOCK-FEED PRICE RATIOS 1/									
(August average)									
Hog-corn, Chicago 2/	1938-54=13.8 : Bushel	14.0	13.4	12.1	12.5	10.9	10.8	10.7	
Hog-corn, U. S. farm price	1935-54=13.1 : Bushel	13.6	13.8	11.7	12.1	11.0	10.6	11.2	
Beef-steer-corn, Chicago 3/	1935-54=15.7 : Bushel	14.5	14.4	15.3	17.1	13.6	14.6	16.3	
Milk-feed, U. S.	1935-54= 1.24: Pound	1.12	1.16	1.20	1.29	1.25	1.28	1.31	
Butterfat-feed, U. S.	1935-54=22.8 : Pound	19.2	18.9	20.2	20.9	21.6	21.5	21.0	
Egg-feed, U. S.	1945-54=11.8 : Pound	8.9	9.6	9.7	11.1	10.0	10.0	10.1	
Farm chicken-feed, U. S.	1945-54= 6.6 : Pound	4.3	4.3	5.3	5.2	4.9	4.5	4.4	
Commercial broiler-feed, U. S. .	1947-56= 5.5 : Pound	4.7	4.6	5.3	5.4	3.9	4.3	3.8	
Turkey-feed, U. S.	1945-54= 8.9 : Pound	7.4	7.1	8.2	8.3	8.2	7.9	7.8	

1/ Units of corn or other concentrate ration equal in value to 100 pounds of hog or beef-steer, one pound of chicken, butterfat, or milk, or one dozen eggs. 2/ Based on packer and shipper purchases of hogs and No. 3 Yellow corn. 3/ Based on price of beef-steers sold out of first hands for slaughter, and No. 3 Yellow corn.

* 23 percent protein in 1954 and 1955.

Prices compiled from Wall Street Journal, Chicago edition, Minneapolis Daily Market Record, Kansas City Grain Market Review, and reports of the Agricultural Marketing Service.

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T H E F E E D S I T U A T I O N
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Approved by the Outlook and Situation Board, September 17, 1956

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SUMMARY

Prospects for the corn crop improved materially during August, and in early September total feed grain production was estimated at 125 million tons, only 4 percent below the big crop of last year. With larger carryover stocks on hand, the total supply of feed concentrates for the 1956-57 feeding year, including grains and byproduct feeds, is now estimated at 196 million tons, practically equal to the record supply in 1955-56. The 1956 feed grain crops, with normal feeding rates, appear fully adequate to meet our total 1956-57 requirements and leave a larger carryover into 1957-58 than the record stocks this year.

The 1956-57 corn supply is estimated at over 4.5 billion bushels, 6 percent above the record supply last year and 17 percent above the 1949-53 average. The 1956 crop was estimated on September 1 at 3,336 million bushels, an increase of 192 million over the August 1 estimate and second only to the bumper crop of 1948. A record carryover totaling around 1.2 billion bushels is in prospect. Supplies of the other feed grains are smaller than last year. The oats supply was estimated in September to be down 16 percent, barley 9 percent and sorghum grains 23 percent.

The hay supply for 1956-57 is estimated at 125 million tons, 3 million tons less than in 1955-56, and a little below average in relation to the roughage consuming livestock on farms. Hay crops are short and pastures have been below average in much of the Great Plains and the Western Corn Belt, and in areas of the South. The bumper soybean crop is expected to provide a record supply of soybean meal, bringing the total high protein feed supply above last year's high level.

The general rise in feed grain prices during the 1955-56 season brought the mid-August index of prices received by farmers to 27 percent above the seasonal low of last fall, and 13 percent higher than a year earlier. Higher prices this summer reflect smaller crops and higher price supports for oats, barley and sorghum grains, and small market receipts and declining stocks of "free" corn. While corn prices are expected to decline seasonally as the 1956 crop is harvested, the general level of feed grain prices probably will be a little higher this fall and winter than a year earlier.

Prices of many of the high protein feeds have declined since July after advancing from March through June. In August and early September they were generally close to a year earlier. The price of soybean meal has been low in recent weeks relative to most other high protein feeds. Prices paid by farmers for feed purchased averaged 2.4 percent higher in August than a year earlier and livestock-feed price ratios were generally less favorable.

PROSPECTS FOR 1956-57 FEED SUPPLIES

Feed Concentrate Supplies Practically Equal to Last Year's Record

The total supply of all feed concentrates for 1956-57 is estimated on the basis of September 1 indications at 196 million tons, practically equal to the record supply of last year, and 13 percent above the 1949-53 average. A small reduction in over-all livestock numbers and production is in prospect, as farmers are expected to reduce hog production about 7 or 8 percent from the high level of 1955-56. The number of grain consuming animal units to be fed in 1956-57 is expected to total around 166 million, 4 million less than in 1955-56. Allowing for this expected decrease in livestock numbers, the prospective supply per animal unit is slightly larger than last year's record of 1.16 tons and 13 percent above the 1949-53 average.

The big feed concentrates supply for 1956-57 appears sufficient to meet all 1956-57 requirements and leave a carryover into the 1957-58 season at least equal to, if not larger than, the record carryover this year. If the rate of feeding per animal unit is about the same as the 1949-53 average, around 128 million tons of feed grains and other concentrates would be consumed by livestock and poultry during the 1956-57 feeding season. This would be about the same as the 1949-53 average, but 3 or 4 million tons less than is currently estimated for 1955-56. The use of feed grains for seed, food and

Table 2.- Feed concentrate balance, numbers of animal units, and feed per unit, United States, year beginning October, average 1949-53, and annual 1951-56

Item	: Average : : 1949-53 :	: 1951 :	: 1952 :	: 1953 :	: 1954 :	: 1955 : : 1/ :	: 1956 : : 2/ :
	: Mil. : tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons
Supply							
Stocks beginning of year 3/	: 27.4	28.7	20.2	27.0	31.7	38.9	44.0
Production of feed grains: 4/							
Corn	: 88.1	81.9	92.2	89.9	85.6	90.8	93.4
Oats	: 20.0	20.4	19.5	18.5	22.6	24.0	18.4
Barley	: 6.1	6.2	5.5	5.9	9.1	9.6	8.9
Sorghum grains	: 4.2	4.6	2.5	3.2	6.6	6.8	4.6
Total production	: 118.4	113.1	119.7	117.5	123.9	131.2	125.3
Imports of feed grains	: 1.4	1.4	1.9	1.9	.7	.7	.9
Wheat and rye fed	: 3.3	3.0	3.6	2.9	2.4	2.6	2.5
Byproduct feeds fed	: 22.4	22.7	22.8	23.3	23.1	23.5	23.5
Total supply	: 172.9	168.9	168.2	172.6	181.8	196.9	196.2
Utilization, October-September							
Concentrates fed 4/ 5/							
Corn	: 77.3	79.7	73.4	75.8	72.6	75.4	
Oats	: 18.5	19.7	18.0	18.1	19.9	20.5	
Barley and sorghum grains	: 6.0	6.6	5.2	5.8	6.9	9.4	
Wheat and rye	: 3.3	3.0	3.6	2.9	2.4	2.6	
Oilseed cake and meal	: 8.7	9.1	8.9	8.7	8.5	9.1	
Animal protein feeds	: 2.8	2.7	2.8	3.1	2.8	2.7	
Other byproduct feeds	: 10.9	10.9	11.1	11.5	11.8	11.7	
Total concentrates fed	: 127.5	131.7	123.0	125.9	124.9	131.4	128
Feed grains for seed, human food and industry	: 12.4	12.2	11.9	11.8	12.6	12.8	13
Exports	: 5.0	4.9	5.1	3.9	6.1	7.8	7
Total utilization	: 144.9	148.8	140.0	141.6	143.6	152.0	148
Utilization adjusted to crop year basis	: 145.2	148.7	141.2	140.9	142.9	152.9	148
Stocks at end of crop year 3/	: 27.6	20.2	27.0	31.7	38.9	44.0	48
Supply and utilization per animal unit							
Total supply (Million tons)	: 172.9	168.9	168.2	172.6	181.8	196.9	196.2
Concentrates fed (Million tons)	: 127.5	131.7	123.0	125.9	124.9	131.4	128
Grain-consuming animal units (Millions) 4/ 6/	: 165.8	170.1	162.2	160.4	165.1	170.0	166.0
Supply per animal unit (Ton)	: 1.04	.99	1.04	1.08	1.10	1.16	1.18
Concentrates fed per animal unit (Ton)	: .77	.77	.76	.78	.76	.77	7/.77

1/ Preliminary. 2/ Preliminary estimates based on indications in September, 1956.
 3/ Stocks of corn and sorghum grains in all positions on October 1, and oats and barley on July 1. 4/ Revised on basis of data obtained from the 1954 Census of Agriculture. 5/ Total quantities fed in U.S., including domestically produced and imported grains and byproduct feeds. 6/ Grain-consuming animal units fed during the October-September feeding season. 7/ Assumes the rate of feeding per animal unit will be about the same as the 1949-53 average.

Agricultural Marketing Service.

industrial purposes is expected to continue at about last year's rate of close to 13 million tons, a little above most other recent years. Exports probably will continue at a high level in 1956-57, although they may not maintain the record total of nearly 8 million tons in 1955-56. Assuming exports total about 7 million tons, this would bring the total feed concentrate disappearance to 148 million tons, which would be a little below the heavy disappearance in 1955-56, but otherwise the largest since 1951. With this level of disappearance, carryover stocks at the end of the 1956-57 season would increase about 4 million tons from the record carryover of 44 million tons this year.

Feed Grain Production Down 6 Million Tons;
Larger Carryover Stocks on Hand

Principally as a result of material improvement in the condition of the corn crop, the September 1 estimate of feed grain production was increased to 125 million tons, 5 million more than the August 1 estimate, but 6 million less than in 1955. The carryover into 1956-57 is expected to total around 44 million tons, 5 million tons above the big stocks last year. Including an allowance of about 1 million tons for imports, this would give a total supply of about 170 million tons or about the same as the record supply last year. While the corn supply is estimated to be 6 percent larger than last year, supplies of each of the other feed grains are moderately to substantially smaller.

The 44-million-ton carryover of feed grains this year includes about 34 million tons under loan or owned by CCC. All of the increase in feed grain stocks in recent years has been in the stocks held under Government price support programs (table 3). Privately held carryover stocks into 1956-57 are now estimated at about 10 million tons, about the same as last year and a little below the 1949-53 average. The total supply of feed grains, excluding stocks under loan and owned by CCC on October 1, is now estimated at 136 million tons which would be 5 million tons less than last year, but a little above the 1949-53 average.

Feed Grain Production Again Below
Average in the Western Corn Belt

The distribution of feed grain production this year is similar to that of 1955. Production has again been curtailed by drought in areas of the Western Corn Belt, but is above average in other regions of the country. Production in the Western Corn Belt is smaller this year than in 1955 as both the corn and oats crops are below average, reflecting a reduction in acreage and below average yields in some of these States. In the 7 West North Central States, the total production of feed grains was 5 percent smaller than in 1955 and 7 percent below the 1945-54 average. In Nebraska, indicated production is only half the 10-year average, while in Kansas it is 27 percent below average, South Dakota 23 percent below and in Iowa 12 percent below. In the East North Central region production of feed grains is a little above that of last year, and 18 percent above the 1945-54 average.

Table 3.- Feed grains: Supply and disappearance, United States, crop marketing years, average 1949-53, annual 1951-56

Item	Average 1949-53	1951	1952	1953	1954	1955 1/	1956 2/
	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons
Supply 3/							
Carryover							
Under price support	15.3	14.9	9.0	16.6	22.4	29.3	34.2
Other stocks	12.1	13.8	11.2	10.4	9.3	9.6	10.0
Total	27.4	28.7	20.2	27.0	31.7	38.9	44.2
Production	118.4	113.1	119.7	117.5	123.9	131.1	125.3
Imports 4/	1.4	1.3	1.7	2.2	.9	.7	.9
Total supply	147.2	143.1	141.6	146.7	156.5	170.7	170.4
Distribution 3/							
Livestock feed	102.0	105.8	97.4	98.9	99.5	105.7	
Food, industry, and seed	12.8	12.3	11.9	12.3	12.6	12.8	
Exports 5/	4.8	4.8	5.3	3.8	5.5	8.0	
Total	119.6	122.9	114.6	115.0	117.6	126.5	
Carryover at end of year	27.6	20.2	27.0	31.7	38.9	44.2	

1/ Preliminary. 2/ Preliminary estimates based on September 1 indications. Includes an allowance for imports at near the 1954-55 rate. 3/ Supplies and disappearance of corn and sorghum grains during October-September and oats and barley grain during July-June. 4/ Includes grain equivalent of products. 5/ Includes corn, sorghum grain, and oats exported as grain, barley and grain equivalent of malt.

Table 4.- Feed grains: Supplies, United States, average 1949-53, annual 1954-56

Feed grain	Average 1949-53				1954			
	Carry- over 1/	Produc- tion	Imports	Total supply	Carry- over 1/	Produc- tion	Imports	Total supply
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Corn	731	3,148	1	3,880	920	3,058	1	3,979
Oats	266	1,247	52	1,565	227	1,410	20	1,657
Barley	80	255	22	357	71	379	24	474
Sorghum grain	27	150	---	177	22	235	---	257
Total (Mil. tons)	27.4	118.4	1.4	147.2	31.7	123.9	.9	156.5
	1955				1956 2/			
Corn	1,029	3,242	1	4,272	1,200	3,336	1	4,537
Oats	303	1,499	3	1,805	347	1,155	3/20	3/1,522
Barley	131	400	27	558	115	370	3/25	3/ 510
Sorghum grain	74	241	---	315	80	163	---	243
Total (Mil. tons)	38.9	131.1	.7	170.7	44.2	125.3	.9	170.4

1/ Stocks of corn and sorghum grains on October 1 and oats and barley on July 1.

2/ Preliminary estimates based on indications in September. 3/ Total supply includes an allowance for imports at near the 1954-55 rate.

Table 5.- Production of corn and total feed grains by States and, regions, average 1945-54, annual 1955 and 1956

Region and State	Corn			Total feed grains		
	Average	1955	1956 1/	Average	1955	1956 1/
	1945-54			1945-54		
	Million bushels	Million bushels	Million bushels	1,000 tons	1,000 tons	1,000 tons
North Atlantic	106	109	125	4,101	4,400	4,767
Ohio	186	221	206	5,942	7,311	6,598
Indiana	235	276	277	7,375	8,820	8,662
Illinois	468	524	587	15,382	17,625	18,759
Michigan	68	93	97	2,815	3,623	3,363
Wisconsin	127	137	160	5,772	6,121	6,620
East North Central	1,084	1,251	1,327	37,286	43,500	44,002
Minnesota	239	285	316	10,440	11,836	12,260
Iowa	540	522	501	18,563	18,772	16,369
Missouri	142	165	195	4,628	5,813	6,512
North Dakota	25	32	32	2,756	3,716	3,412
South Dakota	107	87	106	5,115	4,273	3,921
Nebraska	221	108	112	7,410	4,165	3,762
Kansas	61	34	33	3,083	2,685	2,252
West North Central	1,335	1,233	1,295	51,995	51,260	48,488
South Atlantic	216	246	251	7,014	8,079	8,393
South Central	316	351	292	12,714	16,079	12,620
Western	27	52	46	5,126	7,792	7,062
Total United States	3,084	3,242	3,336	118,236	131,110	125,332

1/ September 1 indications.

Table 6.- Corn: Acreage, yield and production in the 1956 commercial and non-commercial areas, average 1951-55, annual 1955 and 1956

Year	Commercial area 1/			Non-commercial area			United States		
	Acreage	Yield	Pro-duction	Acreage	Yield	Pro-duction	Acreage	Yield	Pro-duction
	Mil. acres	Bu.	Mil. bu.	Mil. acres	Bu.	Mil. bu.	Mil. acres	Bu.	Mil. bu.
Average									
1951-55	56.7	44.9	2,544	25.5	23.6	601	82.2	38.3	3,145
1955	57.2	44.3	2,534	24.3	29.1	708	81.5	39.8	3,242
1956 2/	55.6	48.2	2,680	23.4	28.0	656	79.0	42.2	3,336

1/ The States and counties included in the 1956 commercial corn producing area are shown in the Feed Situation, April, 1956 page 21.

2/ September 1 indications.

Data on the breakdown between the commercial and non-commercial area were compiled from reports of the Commodity Stabilization Service.

Feed grain production is again above average this year in most of the southeastern States and in some of the South Central States, but it is much below average in the Southwest. In Texas and Oklahoma, the corn and sorghum grain crops are down sharply from a year ago. Total feed grain production for the entire South Central region is estimated to be slightly below average and 22 percent less than in 1955. In the South Atlantic region indicated production is 20 percent above average and 4 percent larger than last year.

In the Western States feed grain crops total nearly 10 percent below the big production last year, but they are more than a third above the 1945-54 average. The barley crop in 3 West Coast States is estimated at 113 million bushels, a little larger than last year and 43 million above the 10-year average. Smaller crops of feed grains than in 1955 are in prospect in most of the Mountain States.

Record Corn Supply of Over 4.5 Billion Bushels in Prospect

The corn supply for 1956-57 was estimated in early September at 4,537 million bushels, which would be 265 million more than the record supply last year and 657 million above the 1949-53 average. The 1956 corn crop, estimated in September at 3,336 million bushels, is nearly 100 million bushels more than the 1955 crop and the second only to production in 1948. Production in the 1956 commercial corn area was estimated on September 1 at about 2,680 million bushels, nearly 150 million more than last year, reflecting a record yield per acre on the smaller acreage planted. The 656 million bushels in the non-commercial area is down about 50 million from last year. The U. S. carryover on October 1 is expected to total around 1.2 billion bushels, which would be 170 million bushels above the record carryover of last year. All of the increase in the prospective carryover this year is in stocks owned by CCC or under loan. "Free" stocks are not expected to be any larger than the small "free" carryover of about 159 million bushels on October 1 last year. Excluding stocks under loan or owned by CCC on October 1, the total supply of corn would be nearly 3.5 billion bushels, about 100 million bushels more than last year.

Total corn consumption in the 1956-57 season probably will at least equal, if not exceed, the 1955-56 disappearance which is expected to total close to 3.1 billion bushels. While fewer livestock will be on farms, the production of other feed grains is down considerably from last year. This probably will mean a larger percentage of this year's feed grain consumption will come from the corn supply. The 1956 crop, however, appears more than adequate for total domestic and export requirements, which would mean some further increase in the carryover into the 1957-58 season from the record carryover of around 1.2 billion this year.

Smaller Supplies of Oats, Barley
and Sorghum Grains in Prospect

While a record supply of corn is in prospect for the coming year, supplies of the other 3 feed grains are all smaller than last year, principally as the result of smaller 1956 crops. Acreages of these 3 grains harvested this year will be smaller than in 1955, partly as a result of the diversion of some acreage in these crops to the Soil Bank Program. Based on indications in September, supplies of oats in 1956-57 will be down about 16 percent from last year, barley 9 percent, and the sorghum grain 23 percent.

The oats supply for the current season was estimated in September at about 1,522 million bushels, nearly 300 million bushels less than the record supply of last year and a little below the 1949-53 average (table 4). A record carryover of about 347 million bushels was on hand July 1 from last year's big crop. But the 1956 oat crop of 1,155 million bushels was 344 million bushels below the big crop harvested last year, and excepting 1953 it was the smallest in 13 years. Imports are expected to be substantially larger this year than in 1955-56 as a result of the smaller crop and higher prices in this country and the big supply in Canada. The above supply figure includes an allowance of around 20 million bushels for imports, about the same as in 1954-55. The smaller supply of oats this year is expected to result in somewhat smaller consumption than the 1,458 million bushels in 1955-56 and a substantially smaller carryover on July 1, 1957.

The sharp drop in oats production from a year ago reflects both reduced acreage and lower yield per acre. While over 44 million acres of oats were planted, only 35.4 million acres were harvested for grain which was 3.7 million acres less than in 1955. The 9 million acres not harvested for grain included some oats harvested for hay as well as oats diverted to the Soil Bank Program. The average yield of oats of 32.6 bushels per acre was down sharply from the record yield of 38.3 bushels of last year.

The barley supply for 1956-57 is now estimated at 510 million bushels, 48 million less than the record supply last year, but 153 million above the 1949-53 average. The 1956 crop of 370 million bushels is below the big crops of the last 2 years, but is larger than production in any other year since 1942. Smaller production this year than in 1955 was primarily the result of smaller acreage in the Northern Plains and Montana. Production in the Pacific Coast States was a little larger than in 1955. The carryover of 115 million bushels was 15 million bushels below the record of last year. The above supply also includes an allowance for imports of barley and malt in 1956-57 at near the rate of the past 2 years.

The 1956 sorghum grain crop was estimated in September at 163 million bushels, 32 percent less than the record 1955 crop, but 9 percent above the 1949-53 average. The smaller crop than last year was largely the result of a sharp cut in production in the major producing States of Texas, Oklahoma and Kansas, where dry weather has reduced yield per acre and some land which normally would be used for sorghum grains has been diverted to the Soil Bank

Program. The U. S. total of 11.4 million acres to be harvested as grain is about 1.5 million acres less than the record acreage harvested last year. The carryover of sorghum grains on October 1 is expected to exceed the 74 million bushels carried over a year ago. Based on these prospects, the total supply of sorghum grains for 1956-57 will total around 243 million bushels, 72 million bushels below the record supply of last year.

Further Increases in Oilseed Meal
Supplies in Prospect for 1956-57

Based on present indications, a further increase in the total supply of oilseed cake and meal is in prospect for the 1956-57 feeding year over the high level reached in 1955-56. The record soybean crop is expected to result in a record crush of soybeans during the coming year which could boost soybean meal production by around a million tons over the 1955-56 output, currently estimated at nearly $6\frac{1}{2}$ million tons. The production of cottonseed cake and meal may be a little smaller than the 2.6 million tons now estimated for the 1955-56 feeding year, but any reduction would be expected only to offset a part of the increase in prospect for soybean meal. Supplies of other oil cake and meal are not expected to change materially from the 1955-56 levels. The larger supply of oilseed meal in 1956-57 probably will mean more available for livestock feeding in this country, although much still depends on the final outcome of the year's oilseed crops and whether or not currently high level of exports will be maintained or expanded during the coming year.

Table 7.- Oilseed meal: Supply and disappearance,
United States, average 1949-53, annual 1951-55

Year beginning October	Supply				Disappearance			
	Stocks	Production	Imports	Total	Livestock	Other	Exports	Total
	Oct. 1	1/	:	:	feed	uses	:	:
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	tons	tons	tons	tons	tons	tons	tons	tons
Average								
1949-53	189	8,665	244	9,098	8,651	61	166	8,878
1951	136	8,940	358	9,434	9,130	60	86	9,276
1952	158	8,848	304	9,310	8,918	60	102	9,080
1953	3/230	8,821	168	9,219	8,677	60	168	8,905
1954	314	8,901	95	9,310	8,519	60	517	9,096
1955 4/	214	9,850	100	10,164	9,144	60	700	9,900

1/ Stocks at processors' plants. 2/ Estimated quantities of soybean meal used for industrial purposes and cottonseed meal used for fertilizer on farms of cotton growers. 3/ Includes 29,000 tons of cottonseed meal owned by CCC and not stored at processors' plants. 4/ Preliminary estimates.

The tonnage of oilseed meal fed to livestock during the 1955-56 season is now expected to total about 9.1 million tons, 600,000 tons more than last year, and about equal to the record of 1951-52. Declining imports during recent years and sharply rising exports have resulted in little net change in the volume available for livestock feeding in spite of a substantial increase in production (table 7). Production of the 5 major oilseed meals in 1955-56 is expected to total about 9,850,000 tons, nearly a million tons more than the 1954-55 output. However, with the larger exports this year and with stocks of oilseed meal increasing, only about 600,000 tons more is expected to be fed to livestock.

Smaller Hay Supplies in
Prospect for the mid-West

The total United States production of hay was estimated in early September at 109 million tons, 4 million tons less than the record crop last year with much of the reduction in the important producing States of the mid-West. The total hay supply is now estimated at around 125 million tons, 3 million tons less than last year, but 5 million above the 1949-53 average. The number of roughage consuming livestock on farms has been comparatively stable in the past 3 years, after increasing from 1948 to 1953. The prospective supply per animal unit for 1956-57 is 3 percent less than last year and also below the 5 year average.

While hay supplies are smaller than a year ago, they are generally adequate for livestock on farms in most regions of the country. Supplies will be short, however, in some States such as Iowa, Missouri, Kansas and Arkansas where production this year is around 10 to 15 percent below average. The 1956 harvest is expected to be smaller than the big crop of last year in most of the North Central States. In the East North Central region the 1956 harvest was estimated in early September to be 3 percent smaller than a year ago and in the West North Central region 7 percent smaller. Production is near average or above in most other areas of the country.

Pastures have furnished less feed than usual this summer as drought has curtailed growth over much of the Western Corn Belt, the Great Plains and in some of the Southern States. On September 1, the condition of pastures was 68 percent of "normal," 7 percentage points below the 1945-54 average and about the same as a year earlier. Pastures are very poor over much of the area extending from Texas north through Nebraska and into Western Iowa and Missouri. In many of the Southern States the condition of pastures on September 1 was below average and not as good as in early September a year ago. On the other hand, pastures have been unusually good in most of the area East of the Mississippi River and North of Kentucky and better than average in far Western States.

RECENT DEVELOPMENTS

Feed Grain Prices Higher
Than a Year Ago

Feed grain prices have advanced 27 percent from the seasonal low of last November. The mid-August index of prices received by farmers for feed grains was 13 percent higher than in August 1955. During August and early September, prices of corn and oats at mid-Western markets were nearly a fifth higher than a year ago, while barley prices averaged a little higher. The general level of feed grain prices probably will continue higher this fall and winter than in that period of 1955-56, though corn prices are expected to decline as the 1956 crop is harvested this fall.

The price of No. 2 Yellow corn at Chicago averaged \$1.65 per bushel for the first week in September, 50 cents above the seasonally low reached in November and about 31 cents per bushel higher than in the corresponding week of last year. The increase in corn prices since last fall has come in spite of record supplies last year and prospects for record supplies again in 1956-57. While total supplies are at a very high level, the bulk of the reserve stocks of corn is under loan or owned by CCC and "free" supplies have been declining during the marketing year. Weekly receipts at mid-Western markets have been considerably below average this past spring and summer and smaller than a year ago. Corn prices have been relatively high in the Western Corn Belt where the 1956 crop was short and where production is being curtailed again this year by hot, dry weather. The mid-August prices in Iowa and Nebraska were above the United States average and were higher than in a number of Southern States where large crops were produced in 1955. The U. S. average price of \$1.45 in August was 15 cents higher than a year ago, but still below the 1955 national average support of \$1.58 per bushel. However, it was within 5 cents per bushel of 1956 national average support price for cooperating producers in the commercial area and 20 cents per bushel above the average support to non-compliers. While some seasonal decline in corn prices is expected this fall, corn prices will probably average nearer the support level this fall and winter than last.

The increase in oats and barley prices from May through July this year was counter to the usual seasonal decline during these months. Rising prices of these grains reflect the smaller 1956 crops, especially in the important mid-Western area, and the higher support prices this year. In mid-August, the U. S. average price of barley was 8 cents per bushel higher than a year earlier, but 5 cents below the national average support price. The average price of oats was 13 cents per bushel higher than a year earlier and 3 cents above the 1956 support level. During August, prices of the 2 grains declined at primary mid-Western markets, dropping back to about the late June levels. In early September the price of oats was well above last year's level, while barley prices were a little higher. Prices of oats and barley have again been low relative to corn this summer, but oats are not as cheap in relation to corn as during the past 2 years.

Table 8 .- Corn, oats and barley: Wholesale prices, January-September 1955 and 1956 ^{1/}

Period	Corn No. 2 Yellow Chicago		Oats No. 2 White Minneapolis		Barley No. 3 Minneapolis	
	1955	1956	1955	1956	1955	1956
	Dollar per bushel	Dollar per bushel	Dollar per bushel	Dollar per bushel	Dollar per bushel	Dollar per bushel
January	1.55	1.28	.771	.633	1.35	1.10
February	1.52	1.30	.759	.637	1.33	1.06
March	1.49	1.34	.727	.647	1.34	1.12
April	1.50	1.49	.737	.650	1.34	1.19
May	1.51	1.55	.741	.659	1.29	1.20
June	1.49	1.56	.718	.645	1.29	1.12
July	1.49	1.59	.588	.727	1.18	1.19
August	1.35	1.58	.579	.725	1.17	1.21
Week-ended						
July 6	1.50	1.55	.642	.669	1.28	1.15
13	1.48	1.58	.622	.706	1.26	1.18
20	1.48	1.62	.564	.742	1.14	1.19
27	1.48	---	.573	.726	1.12	1.20
August 3	1.47	1.62	.598	.742	1.18	1.26
10	1.37	1.58	.585	.739	1.17	1.34
17	1.26	1.59	.562	.732	1.15	1.20
24	1.28	1.57	.561	.722	1.21	1.14
31	1.32	1.57	.577	.695	1.16	1.14
Sept. 7	1.34	1.65	.600	.707	1.14	1.19

^{1/} Average prices weighted by carlot sales.

Table 9 .- Prices of specified byproduct feeds, August 1956, with comparisons

Feed	Unit	August				August 1956 as a percentage of	
		August average: 1946-55	1954	1955	1956	Average: 1946-55	1955
		Dol.	Dol.	Dol.	Dol.	Pct.	Pct.
Bran, standard ^{1/}	Ton	46.50	39.00	37.00	38.00	82	103
Middlings, standard ^{1/}	Ton	49.00	40.60	38.50	42.00	86	109
Soybean meal, 44 percent ^{2/}	Ton	87.90	98.35	65.05	63.30	72	97
Cottonseed meal, 41 percent ^{3/}	Ton	76.05	75.70	59.90	63.10	83	105
Linseed meal, 36 percent ^{1/}	Ton	69.35	63.70	59.70	58.90	85	99
Gluten feed, 21 percent ^{2/} ^{4/}	Ton	57.45	55.00	45.80	45.00	78	98
Brewers' dried grains ^{5/}	Ton	51.50	52.70	42.60	44.50	86	104
Distillers' dried grains ^{6/}	Ton	63.95	65.20	60.00	58.50	91	98
Tankage, 60 percent ^{2/}	Ton	109.95	111.55	77.35	77.20	70	100
Meat scraps, 50 percent ^{2/}	Ton	109.00	110.25	76.95	78.10	72	101
Fish meal, 60 percent ^{7/}	Ton	130.05	129.70	129.50	126.50	97	98
Molasses ^{8/}	Ton	31.20	20.50	21.40	29.92	96	140

^{1/} Minneapolis. ^{2/} Chicago. ^{3/} Memphis. ^{4/} Prior to July 1955, 23 percent protein.
^{5/} Milwaukee. ^{6/} Cincinnati. ^{7/} Buffalo. ^{8/} New York.

High protein feed prices have declined since June when the wholesale index reached the highest level since early in 1955. In August and early September they were generally close to those of a year earlier. The decline in prices in recent weeks may have been partly seasonal, as more 1956 cottonseed has become available for crushing and as harvest time for the big soybean crop approached. It also reflects big stocks of oilseed meal on hand which have been moving into consumption. Prices of high protein feed have averaged higher than a year earlier this summer even though consumption has been somewhat heavier, reflecting generally stronger demand, especially for poultry feeds. In August and early September, soybean meal was relatively lower than most of the other high protein feeds. The price of soybean meal has been lower relative to cottonseed meal this summer than last and probably will continue relatively lower in 1956-57 as a result of relatively large supplies of soybean meal and prospects for reduced demand from hog producers.

Livestock Feed Price Ratios Generally
Less Favorable than a Year Ago

Livestock-feed price ratios were less favorable for hog and poultry producers in August than a year ago, but slightly more favorable for dairymen. While hog prices are a little higher, corn prices are up more. The mid-August U. S. average price of hogs per 100 pounds was equivalent to 11.2 bushels of corn compared with 12.1 last year and the 1935-54 August average of 13.1.

The average cost of poultry ration in August was 3 percent higher than a year earlier, while prices of eggs, chickens and turkeys were all lower, making the price ratios less favorable to poultry producers than a year earlier. The egg-feed price ratio averaged 10.1 compared with 11.1 last year and the 1945-54 average of 11.8. Prices of chickens and broilers have been considerably lower relative to feed this summer than last. The U. S. average price of farm chickens would buy 4.4 pounds of feed in August, only two-thirds as much as the average for 1945-54. The broiler feed price ratio in August dropped to 3.8, well below the 5.4 last year and the lowest in the 4 years the ratio has been reported.

The mid-August milk-feed ratio, on the other hand, was slightly higher than a year earlier and also above the 1935-54 average. While the butterfat-feed price ratio was a little below average it was also slightly higher than a year ago.

More Feed Grains Placed Under
Price Support Through August 15
than a Year Earlier

Through August 15, farmers had placed a little more oats and barley and much more sorghum grains under price support than in that period of 1955. The 14.1 million bushels of oats placed under loan and purchase agreement was 1.5 million more than in the same period last year. The big oats crop in the South appears to be a major factor behind this heavy early season movement under price support. The quantity placed under support is expected to be

relatively lighter later in the season because of the much smaller production than last year in the northern States. The total of 6.1 million bushels of barley placed under price support through August 15 was about a million more than a year earlier, while the 11 million bushels of sorghum grains was more than double that for the same period of 1955.

A total of 68.3 million bushels of oats, 96.0 million of barley and 106.4 million of sorghum grains were placed under price support during the 1955-56 season. In each case this was below the record quantities of 1954-55, but exceeded all other years. Farmers have through January 31, 1957 to place their 1956 crops of these grains under price support.

Farmers Place 5.5 Million Acres of Corn under the Acreage Reserve Program

The Department of Agriculture announced on August 20 that corn producers had signed agreements placing 5,450,000 acres of corn land under the Acreage Reserve Program. The deadline for compliance with the program for the 1956 crop was originally August 3, but later it was extended through August 31. Farmers in the commercial corn producing area who agreed to harvest at least 10 percent less corn than their Soil Bank corn base acreage and who had complied with acreage allotments for all other crops were eligible to participate in the corn Acreage Reserve Program.

Since the 1956 program was late in starting, much of the crop land in the commercial area had been planted before the program was announced. Farmers who had reduced their corn acreage to be in compliance with their 1956 acreage allotments were eligible for the Acreage Reserve Program. The designated reserve acreage, however, was taken out of production even if it had been seeded to oats, hay or some other crop. Farmers also were permitted to plow under or otherwise dispose of part of the corn crop in order to bring their acreage down to a level where they would be in compliance with the program. This included some corn damaged by drought, flood, hail or other natural causes.

No crop can be harvested from the land placed under the Acreage Reserve Program, but farmers in the designated emergency drought areas have been granted permission to graze land under the Soil Bank Acreage Reserve because of the shortage of forage in these areas. The maximum acreage which may be placed under the program is the larger of one-half of the Soil Bank corn base acreage or 50 acres. The minimum is the larger of 10 percent of the base acreage or 5 acres.

The payments which farmers can earn on the 5.5 million acres of corn placed under the Acreage Reserve Program total about 181 million dollars. The average acreage of corn per agreement signed (in most cases this would be per farm) was 17 acres (table 11). Payments averaged a little over \$33.00 per acre for the corn acreage covered by this report. Nebraska, Iowa, Missouri, Illinois and South Dakota were the heaviest acreage participants in the program. The average payments per acre for the principal States covered by the program ranged from \$22.45 for Nebraska to \$48.56 per acre in Ohio.

Table 10.- Oats, barley, and sorghum grain placed under price support, United States, through August 15, 1955 and 1956

Grain	1955			1956		
	Loan	Purchase agreement	Total	Loan	Purchase agreement	Total
	<u>1,000</u> <u>bu.</u>	<u>1,000</u> <u>bu.</u>	<u>1,000</u> <u>bu.</u>	<u>1,000</u> <u>bu.</u>	<u>1,000</u> <u>bu.</u>	<u>1,000</u> <u>bu.</u>
Oats	12,500	69	12,569	14,049	33	14,082
Barley	5,009	2	5,011	6,146	1	6,147
Sorghum grain	4,566	22	4,588	11,040	0	11,040

Compiled from reports of the Commodity Stabilization Service.

Table 11.- Corn Acreage Reserve Program for 1956: Number of agreements, acreage signed, and maximum payments in selected States

State and area <u>1/</u>	Number of agreements	Acreage <u>2/</u>	Average acreage per agreement	Maximum payments <u>3/</u>	Average payment per acre	Acreage as a percentage of 1956 base acreage <u>4/</u>
	<u>Number</u>	<u>1,000 acres</u>	<u>Acres</u>	<u>1,000 dollars</u>	<u>Dollars</u>	<u>Percent</u>
Ohio	15,850	166.6	10.5	8,090	48.56	5.6
Indiana	21,515	248.5	11.6	11,047	44.45	5.9
Illinois	40,621	485.4	11.9	23,004	47.39	5.9
Minnesota	24,062	256.2	10.6	9,802	38.26	5.4
Iowa	68,116	1,277.5	18.8	54,404	42.59	13.2
Missouri	25,488	357.9	14.0	10,154	28.37	10.8
South Dakota	13,649	342.6	25.1	8,839	25.80	12.5
Nebraska	54,135	1,510.6	27.9	33,907	22.45	25.8
Kentucky	18,481	213.6	11.6	6,548	30.66	17.6
All other States	38,533	591.3	15.3	14,834	25.09	7.4
Total commercial area	320,450	5,450.2	17.0	180,629	33.14	10.7

1/ Data apply only to the area in each State in the commercial area. Of the States listed only Iowa and Illinois are completely within the commercial area. States and counties included in the commercial area are shown in the Feed Situation, April 2, 1956, page 21. 2/ Acreage signed under the 1956 Acreage Reserve Program. These data relate to reductions from the Soil Bank corn base acreages for complying farmers and do not necessarily reflect loss of acreage planted to corn this year. 3/ Maximum amount farmers may earn in payments on the acreage signed under the program. 4/ Acreage signed as a percentage of the 1956 Soil Bank base acreage.

Compiled from reports of Commodity Stabilization Service.

The provisions of the 1957 Acreage Reserve Program for corn will depend on the outcome of a referendum of corn producers to be held not later than December 15, 1956 to determine whether they favor the Soil Bank corn base acreage with the level of price supports determined by the Secretary or whether they prefer acreage allotments with price supports at 75 to 90 percent of parity. The various phases of the 1957 Soil Bank Program will be (or have been) announced well in advance of planting time in order to give farmers an opportunity to plan their operations accordingly. The program is expected to be much more effective than in 1956 when it was late in getting underway and much of the crop acreages involved had been planted before the provisions of the program were generally known.

Redemption Value of Soil Bank Certificates Announced

The U. S. Department of Agriculture announced on September 7 that Soil Bank certificates earned by farmers for reducing acreages of corn, wheat, and rice will be valued at 105 percent of their cash value when exchanged for grains in the Commodity Credit Corporation inventory or when used to redeem grain they have put under price support loans. For exchange purposes, the value of the CCC-owned grain will be set at the current support price for the grade, class, and location of the grain. The certificates may also be redeemed for cash at 100 percent of face value.

The CCC-owned grain will be made available for exchange at local warehouses or terminal elevators where CCC has stocks. The certificates may be used in part or in whole for the purchase of CCC grain or for redeeming grain under loan. Certificates earned by reducing corn acreage may be exchanged for corn, barley, rye, oats or grain sorghum but not for the other two basic grains, rice or wheat. Wheat certificates may be used to obtain wheat, barley, rye, oats or grain sorghums, but not corn and rice, and rice certificates to obtain rice, barley, rye, oats or grain sorghum, but not corn or wheat. The same procedure applies to the redemption of grains under price-support loans by use of certificates.

Conservation Reserve Program Announced by the Department of Agriculture

The Department of Agriculture announced on August 16 the provisions of the Conservation Reserve Program, the long-term part of the Soil Bank. Under this program contracts will range from 3 to 5 years where a cover crop is or will be established on the land, and from 10 to 15 years in the case the land is planted to trees.

Provisions of the program were announced for 1956 and 1957. The deadline for signing contracts with the Department is October 15 for the 1956 program and March 15, 1957 for the 1957 program. Contracts are being signed through county Agricultural Stabilization and Conservation committees. Generally, the minimum acreage that will be accepted under the program is 5 acres, but it can be only 2 acres if trees are planted.

National and State Conservation Reserve goals were announced totaling 4 to 6 million acres for 1956 and about 20 million acres for 1957. Goals for later years will be announced not later than February 1 of each year. Since a high percentage of the cultivated crop land that would come under this program (excluding the basic crops which would be covered by the Acreage Reserve Program) is in oats, barley, sorghums and tame hay, or land fallowed for some of these crops, the program is especially significant for feed crops.

Two kinds of payments are made under the program. (1) A cost sharing payment will be made to assist farmers in establishing soil and water conservation practices on land designated for Conservation Reserve, which can range up to 80 percent of such cost. This payment will be made only on contracts covering a period of at least 5 years. (2) An annual payment for land put under the Conservation Reserve Program. This will be based on a rate per acre multiplied by the number of acres placed under the program. The national average "regular" rate is \$10.00 per acre, but the rate will vary among States and counties. The regular rate of payment for the various States ranges from an average of \$7.00 to \$8.00 per acre in some of the Western and Southern States to \$13.00 per acre in Connecticut, Massachusetts, New Jersey and Washington. The total annual payment to any producer for any year is limited to \$5,000 with certain exceptions. The base acreage on which the Soil Bank base is established is generally the average acreage devoted to cultivated crops for harvest on the farm in the 2 years immediately prior to the signing of the Conservation Reserve contracts. Crop land eligible for the Conservation Reserve includes land devoted to tame hay which does not require annual tillage as well as land under cultivation. Where tame hay land is placed in the conservation reserve and there is no diversion from cultivated crops, the annual payment is only 30 percent of the regular rate per acre. The acreage placed under the program can not be cropped or grazed while the contracts are in force, except as permitted by the Secretary of Agriculture under emergency conditions.

Drought Emergency Areas Expanded

Continuing drought this summer over much of the Great Plains and extending into the Western Corn Belt and the Mountain States has resulted in a marked expansion in the 1956 emergency drought areas during July, August and early September. When the 1956 Emergency Feed Grain Program was announced on July 6, the drought area included 128 counties. By September 12, the area had expanded to include 427 counties (or parts of counties) in 9 States. The States included in the drought area and the number of counties in each State are as follows: Arizona, 5; Colorado, 15; Kansas, 77; Nevada, 1; New Mexico, 31; Oklahoma, 65; South Dakota, 8; Texas 214 and Utah, 11. The area is much more extensive than it was a year ago when only 22 counties and Texas were in the drought area. Farmers and stockmen in this area may obtain feed grains and approved mixed feeds at prices of about \$1.00 per hundredweight below local market prices.

Under the hay and roughage program, announced August 14, stockmen in designated areas can receive certificates worth \$7.50 per ton toward the purchase of hay and other types of roughage. Through September 12, 214 counties in Texas and 65 in Oklahoma were designated as eligible for this program.

The Department of Agriculture also has expanded the area in which farmers are permitted to graze land under the Soil Bank Acreage Reserve Program. Under the provisions of the Agricultural Act of 1956, the Secretary may allow farmers in drought areas to graze their Soil Bank acreage without losing their eligibility for participation in the Soil Bank Program. On September 12 the area in which farmers were permitted to graze their Soil Bank acreage included 502 counties in 12 States.

Canadian Supplies of
Oats and Barley Largest
in Recent Years

Total supplies of oats and barley in Canada for the 1956-57 marketing season are up considerably from 1955-56 and the largest in recent years. The 1956 oats crop, based on indications in August, will total 515 million bushels, 111 million bushels more than last year and 101 million above the 1949-53 average. Furthermore, the August 1 carryover of 116 million bushels was up 32 million bushels from a year earlier. The total supply of 631 million bushels is 29 percent larger than in 1955 and the second largest of record.

A record barley supply totaling about 390 million bushels is in prospect, 14 percent larger than last year and 41 percent above the 1949-53 average. The 1956 crop, estimated in August at 282 million bushels, is about 30 million bushels larger than last year and 65 million above the 5 year average. The carryover also was larger than last year and much larger than average.

Exports of oats and barley in 1955-56 were down sharply from the 3 preceding years. Over half of the 5 million bushels of oats and nearly half of the 54 million bushels of barley exported in August-June, the first 11 months of the marketing year, were shipped to the United States.

Argentine Corn Crop Much
Larger Than Last Year

The 1956 Argentine corn crop, harvested last spring, is estimated at about 175 million bushels, much larger than the 1955 crop of about 100 million. The April 1, 1956 carryover was negligible, and only 5 million bushels were carried over a year earlier. Exports of corn from Argentina during May-July this year totaled 14.4 million bushels, much more than the 4.3 million exported in the same period of 1955. Because of the larger supply, exports are expected to be much larger for the 1956-57 season (April-March) than the 21 million bushels exported in 1955-56.

Table 12.- Feed grains: Production, United States,
average 1949-53, annual 1952-56

Year	Corn		Oats	Barley	Sorghum grain	Total 1/
	All	For				
	purposes	grain				
	1,000	1,000	1,000	1,000	1,000	1,000
	bushels	bushels	bushels	bushels	bushels	tons
Average						
1949-53	3,148,062	2,840,362	1,247,520	254,589	150,271	118,424
1952	3,291,994	2,980,793	1,217,433	228,168	90,741	119,672
1953	3,209,896	2,881,801	1,153,205	246,723	115,719	117,490
1954	3,057,891	2,707,913	1,409,601	379,254	235,295	123,865
1955	3,241,536	2,856,767	1,499,282	400,295	241,100	131,110
1956 2/	3,335,730	3/	1,154,595	370,254	163,293	125,332

1/ Includes production of corn for all purposes. 2/ Indicated September 1. 3/ Not yet available.

Table 13.- Hay supply and disappearance per animal unit,
United States, average 1949-53, annual 1952-56 1/

Year beginning May	Produc-	Carryover	Total	Disap-	Supply	Disap-	Roughage-
	tion	May 1	supply	pearance	per	pearance	consuming
					animal	per animal	animal
	1,000	1,000	1,000	1,000	unit	unit	units 2/
	tons	tons	tons	tons	Tons	Tons	Thousands
Average							
1949-53	104,989	14,704	119,693	104,869	1.65	1.45	72,351
1952	106,389	14,958	121,347	106,628	1.60	1.41	75,688
1953	108,243	14,719	122,962	107,759	1.60	1.40	76,809
1954	107,834	15,203	123,037	108,150	1.60	1.41	76,874
1955	112,782	14,887	127,669	111,633	1.66	1.45	76,914
1956 3/	108,817	16,036	124,853		1.61		77,500

1/ Data for 1949-55 have been revised on the basis of the 1954 Census of Agriculture, except carryover stocks which will be revised later.

2/ Roughage-consuming animal units fed annually. For weights see table 107, page 88, Grain and Feed Statistics, March, 1955.

3/ Preliminary, based on indications in September.

Table 14.- Feed grains: Receipts at primary markets, August average
1949-53, 1954, 1955 and May-August 1956

Item	August			1956			
	Average	1954	1955	May	June	July	August
	1949-53						
	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	bushels	bushels	bushels	bushels	bushels	bushels	bushels
Corn, 12 markets 1/	25,969	29,466	26,707	21,569	14,253	15,232	15,548
Oats, 12 markets 1/	22,330	26,002	19,384	8,152	9,891	18,901	18,651
Barley, 4 markets 2/	22,303	29,626	24,333	23,361	19,875	20,405	35,646

1/ Chicago, Milwaukee, Minneapolis, Duluth, St. Louis, Kansas City, Peoria, Omaha, Indianapolis, Sioux City, St. Joseph and Wichita.

2/ Minneapolis, Milwaukee, Chicago and Duluth.

Table 15.- Production, stocks, and foreign trade in byproduct feeds, foreign trade in feed grains, and corn and barley processing, July and August 1956, with comparisons 1/

Commodity	Production					Stocks 2/				
	1954-55	July	1956			Oct. 1,	Aug. 1,	1956		
	season	1955	May	June	July	1954	1955	June 1	July 1	Aug. 1
	3/									
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	tons	tons	tons	tons	tons	tons	tons	tons	tons	tons
Byproduct feeds										
Soybean cake and meal	5,704.8	493.5	570.2	517.2	475.3	61.6	98.3	212.8	217.9	182.7
Cottonseed cake and meal	2,515.4	78.3	123.1	74.4	62.3	205.0	203.1	245.7	214.8	164.2
Linseed cake and meal	544.8	36.8	55.7	36.2	18.3	39.8	27.7	33.0	36.5	24.1
Peanut cake and meal	18.5	1.2	9.2	6.8	7.3	1.3	1.6	8.3	6.3	5.8
Copra cake and meal	117.4	8.0	8.7	10.8	10.4	5.6	5.6	.9	2.4	4.8
Total	8,900.9	617.8	766.9	645.4	573.6	313.3	336.3	500.7	477.9	381.6
Corn gluten feed and meal	1,004.6	79.3	89.4	80.5	82.6	4/	4/	4/	4/	4/
Brewers' dried grains	238.4	23.5	23.0	25.4	25.8	6.0	5.3	1.7	4.6	5.4
Distillers' dried grains	249.9	14.8	27.7	23.7	16.5	3.3	1.3	3.2	2.4	2.1
Wheat millfeeds	4,477.1	356.1	362.9	341.8	359.0	4/	4/	4/	4/	4/
Rice millfeeds	303.0	28.0	12.0	23.2	25.0	4/	4/	4/	4/	4/
Alfalfa meal	1,398.6	271.9	116.5	230.2	220.7	377.3	341.1	128.2	210.4	299.3
Fish meal	236.7	52.6	24.1	51.6	54.6	4/	4/	4/	4/	4/
Dry or powdered skim milk	8.4	.7	.9	.9	1.0	.4	.4	.8	.9	.9
Foreign trade										
Imports					Exports					
	1954-55	July	1956			1954-55	July	1956		
	season	1955	May	June	July	season	1954	May	June	July
	3/					3/				
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	tons	tons	tons	tons	tons	tons	tons	tons	tons	tons
Soybean cake and meal	0	0	0	0	0	271.7	30.3	22.5	19.6	19.8
Cottonseed cake and meal	32.3	3.7	6.4	6.4	7.0	167.8	19.3	3.7	2.5	1.2
Linseed cake and meal	0	0	0	0	0	75.0	5.9	3.6	6.5	9.3
Peanut cake and meal	0	0	0	0	0	1.6	.5	4/	4/	10.4
Copra cake and meal	62.8	2.7	5.9	1.5	1.9	0	0	0	0	0
Total	95.1	6.4	12.3	7.9	8.9	516.1	56.0	29.8	28.6	40.7
Wheat millfeeds	99.5	8.3	9.8	6.2	11.1	9.3	.2	4/	4/	.1
Fish meal	82.5	6.0	10.8	8.4	6.3	4/	4/	4/	4/	4/
Tankage	12.6	1.1	1.0	.7	.7	4/	4/	4/	4/	4/
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	bu.	bu.	bu.	bu.	bu.	bu.	bu.	bu.	bu.	bu.
Feed grains										
Corn, including products 5/	1,138	37	96	106	89	102,903	12,438	12,670	10,067	7,215
Oats, including oatmeal	20,024	622	141	80	130	15,427	2,049	3,386	2,072	2,823
Barley, including malt	24,109	694	3,338	3,119	3,383	43,369	9,017	10,384	10,637	9,039
Sorghum grain	4/	4/	4/	4/	4/	47,805	8,394	4,338	4,914	4,081
Grain processing or use										
	1954-55	1955			1956					
	season	June	July	April	May	June	July			
	3/									
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	bu.	bu.	bu.	bu.	bu.	bu.	bu.	bu.	bu.	bu.
Corn										
Wet-processing	138,568	11,912	10,938	11,142	12,329	11,099	11,391			
Distilled spirits and alcohol	22,466	1,987	1,013	2,560	2,620	1,971	6/			
Barley										
Malt liquors	77,272	8,063	7,547	6,836	7,480	8,127	6/			
Distilled spirits and alcohol	5,253	437	254	589	596	346	6/			

1/ Data compiled from reports of the Bureau of the Census, Agricultural Marketing Service, Fish and Wildlife Service of the Department of the Interior, and Price Waterhouse and Company, New York. 2/ At processors' plants. 3/ October-September year for all items except oats and barley which is July-June. 4/ Not reported. 5/ Beginning with April 1956 issue corn exports include grain equivalent of cornmeal, flour, hominy grits, starch, sugar, sirup and miscellaneous refinery products.

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Table 16.- Canada: Supplies and exports of oats and barley, average 1949-53, annual 1951-56

Year beginning August	Oats 1/				Barley			
	Stocks: Aug. 1	Pro- duction	Total supply	Exports 2/	Stocks: Aug. 1	Pro- duction	Total supply	Exports
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Average 1949-53	91	414	505	56	59	217	276	66
1951	95	488	583	77	54	245	299	68
1952	108	467	575	66	80	291	371	121
1953	144	407	551	78	112	262	374	99
1954	126	307	433	25	146	176	322	82
1955	84	404	488	3/5	91	252	343	3/54
1956 4/	116	515	631		108	282	390	

1/ 34-pound bushels. 2/ August-July exports of grain. 3/ Eleven months ended June. 4/ Preliminary. Production estimates based on August 1 indications.

Compiled from publications of the Dominion Bureau of Statistics, Canada.